

A U S T I N C I T Y C O U N C I L
AGENDA



Thursday, May 18, 2006

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Item # 26

Small & Minority Business Resources
RECOMMENDATION FOR COUNCIL ACTION

Subject: Approve an ordinance adopting a new Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Commodities Procurement Program) to establish a procurement program for commodities.

Amount and Source of Funding:

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

Additional Backup Material

(click to open)

No Attachments Available

For More Information: Jeffrey Travillion, Sr., Director, 974-7607; Karen Kennard, First Assistant City Attorney, 974-2177

Prior Council Action: December 15, 2005 Council approved extension of the sunset deadline to June 30, 2006.

Boards and Commission Action: Recommended by the MBE/WBE Citizens Advisory Committee

Chapter 2-9, Subchapter D Commodities

The City's Minority-Owned and Women-Owned Business Enterprise Procurement Program is scheduled to sunset on June 30, 2006. The current ordinance, Chapter 2-9 of the City Code, covers all city procurements related to construction, professional services, non-professional services, and commodities.

In 2005, the City Council engaged a consultant to conduct an updated study to determine the continued need for the MBE-WBE Program. Based on the evidence from this study, the city's MBE-WBE program is still needed. The evidence from the study indicates that absent this program, minority-owned and women-owned business enterprises would be underutilized on City contracts relative to their availability.

The 2005 study found that the MBE-WBE ordinance is narrowly tailored to address the identified current effects of past discrimination and private sector discrimination in the City's marketplace.

Additionally while reviewing the current ordinance, it was determined that establishing separate programs for each procurement sector would:

- (1) increase the ease and flexibility of administration of each program; and
- (2) help tailor each program more narrowly to the goals each program attempts to achieve

The proposed changes will separate the current ordinance into four (4) separate ordinances tracking the City's procurement categories. The new ordinances are:

Chapter 2-9-A Construction

Chapter 2-9-B Professional Services

Chapter 2-9-C Non-professional Services

Chapter 2-9-D Commodities

The new Chapter 2-9-D establishes a Minority-Owned and Women-Owned Business Enterprise Program in the city with respect to commodity procurements.

Section 2-9D-1 Findings are revised to update the history of the ordinance's legal justification by adding findings indicating that the city obtained an updated study to determine whether the MBE/WBE program was still needed, and to determine whether the program could be more narrowly tailored.

This new ordinance establishing a MBE/WBE Procurement Program related to the procurement of Commodities is added to provide narrow tailoring of the program to achieve its goals.

Commodities are defined to include goods, supplies, or equipment provided or supplied under a Contract by a Contractor to a City of Austin Contract Awarding Authority or to a City of Austin User Department.

Additional Ordinance changes are the same as described in Chapter 2-9-A.